

# OFFICIAL GAZETTE



## GOVERNMENT OF GOA

### EXTRAORDINARY

### No. 6

#### GOVERNMENT OF GOA

Department of Law and Judiciary  
Legal Affairs Division

#### Notification

7-3-98/LA

The Goa Sales Tax (Amendment) Bill, 1998 (Goa Act 12 of 1998), which has been passed by the Legislative Assembly of Goa on 26-3-1998 and assented to by the Governor of Goa on 31-3-1998, is hereby published for general information of the public.

P. V. Kadneker, Joint Secretary (Law).

Panaji, 31st March, 1998.

The Goa Sales Tax (Amendment) Act, 1998  
(Goa Act 12 of 1998) [31-3-1998]

AN

ACT

*further to amend the Goa Sales Tax Act, 1964.*

Be it enacted by the Legislative Assembly of Goa in the Forty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.* — (1) This Act may be called the Goa Sales Tax (Amendment) Act, 1998.

(2) It shall come into force with effect from 1st day of April, 1998.

2. *Amendment of section 7.* — In Section 7 of the Goa Sales Tax Act, 1964 (Act 4 1964) (hereinafter referred to as the "principal Act"),—

(i) in sub-section (1), the existing clause (xxviii) shall be re-numbered as clause (xxix) thereof and before clause (xxix)

as so re-numbered, the following clause shall be inserted, namely:—

"(xxviii) in respect of goods specified in the Twenty-ninth Schedule, at the rate of 100 paise in the rupee)",

(ii) for sub-section (2), the following shall be substituted, namely:—

"2 (a) The Commissioner may, in such circumstances and subject to such conditions in the Scheme formulated for the purpose of this sub-section, permit any dealer to pay in lieu of the amount of tax payable by such dealer under the provisions of this Act, in respect of any year, a lumpsum, determined in the prescribed manner, by way of compounding of tax, and, on payment of such lumpsum by such date as may be prescribed, the dealer shall be deemed to have been assessed under section 17 for that year.

(b) Where any such dealer contravenes any of the provisions of the rules made under this sub-section or of the Scheme formulated for the purpose and the Commissioner is of the opinion that such contravention has resulted in loss of revenue of an amount which is not less than 25% of the lumpsum so payable, then the Commissioner may, at any time within 5 years from the end of the year for which lumpsum amount was payable and after giving the dealer a reasonable opportunity of being heard, proceed to assess, levy and collect tax, penalty and interest, if any, from such dealer in respect of the said year in accordance with the provisions of section 17";

(iii) in sub-section (3).—

(a) in clause (II), for sub-clause (a), the following shall be substituted, namely:—

"(a) of goods of the class or classes of goods declared to be taxable at the second or any other point of sale in the series of sales by successive dealers in pursuance of Notifications in the Official Gazette under section 8 and

which are specified in the registration certificate of such dealers as being intended for—

- (i) re-sale by him within Goa;
- (ii) re-sale by him in the course of inter-state trade or commerce;
- (iii) re-sale in the course of export out of India or re-sale after such export or;
- (iv) use by him within Goa as raw materials for the manufacture of goods for sale, and”;

(b) for clause (III), the following shall be substituted, namely:—

“(III) Sales of goods purchased within the State on payment of tax at the first point, provided that in cases of such sales proof of payment of tax at the point of purchase of such goods is adduced by the dealer to the satisfaction of the Commissioner:

Provided that where a manufacturer is not liable to pay tax on the first sale of goods manufactured by him, under entry 68 or 85 of the Second Schedule, the first point for the purpose of this clause shall be the point of sale effected by the subsequent dealer who has purchased the goods from such manufacturer.”

3. *Amendment of section 7A.*— In sub-section (1) of section 7A of the principal Act,—

(i) in clause (ii), for the expression “in respect of dealers whose gross turnover of sales exceeds 40 lakhs of rupees”, the expression “in respect of dealers whose gross turnover of sales exceeds 40 lakhs of rupees but does not exceed 500 lakhs of rupees”, shall be substituted;

(ii) after clause (ii), the following shall be inserted, namely:—

“(iii) in respect of dealers whose gross turnover of sales exceeds 500 lakhs of rupees;	At the rate of 20 paise in the rupee on the sales tax payable by such dealer for that year under this Act.”
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4. *Amendment of section 8.*— For section 8 of the principal Act, the following shall be substituted, namely:—

“8. *Point at which sales may be taxed.*— The tax payable under this Act shall be levied on the taxable turnover at the first point of sale made by a dealer in the State of Goa:

Provided that where an importer/manufacturer of goods in the State of Goa is not liable to pay tax under the Act on the Sales of goods imported/manufactured by him, for the purposes of this section first point shall be the point of sale effected by the subsequent dealer liable to pay tax under the Act:

Provided further that the State Government may, by notification in the Official Gazette, declare any goods or class of goods to be taxable at any other point of sale in the series of sales of successive dealers as the point at which any goods or class of goods may be taxed.”

5. *Amendment of section 15.*— In section 15 of the principal Act, (i) for sub-section (4), the following shall be substituted, namely:—

“(4) If any dealer, having furnished returns under sub-section (3), discovers any omission or incorrect statement, he may furnish a revised return before the expiry of three months next following the last date prescribed for furnishing the original return and if the revised return shows a greater amount of tax to be due than was shown in the original return, it shall be accompanied by a receipt showing the payment in the manner provided in sub-section (2) of the extra amount.”;

(ii) sub-sections (4A) and (4B) shall be omitted.

6. *Amendment of section 15A.*— Section 15A of the principal Act shall be re-numbered as section 15AA thereof and before section 15AA as so re-numbered, the following shall be inserted, namely:—

“15A. *Charge on the property of defaulter and levy of interest for delayed payment of tax.*— (1) If a dealer or a person does not pay the tax due under this Act, within the time stipulated under the provisions of this Act, and the rules made thereunder, then,—

(i) the whole of the amount outstanding on the date of default shall become immediately due and shall be a charge on the properties of the person or persons liable to pay the tax under this Act; and

(ii) the dealer or a person liable to pay tax or any other amount due under this Act, shall also be liable to pay interest during the period of default as under:

(a) one and half per cent on the amount of tax remaining unpaid for each month for the first three months after the expiry of the time prescribed;

(b) two per cent on such amount for each month subsequent to the first three months as aforesaid.

*Explanation.*— For the purposes of clause (ii), the interest payable for a part of the month shall be proportionately worked out.

(2) Notwithstanding anything contained in sub-section (1), the Commissioner may, subject to such conditions as may be prescribed, remit the whole or any part of the interest payable in respect of any period by any dealer, person or class of persons.”

7. *Amendment of section 17.*— In section 17 of the principal Act,— (i) for sub-section (4), the following shall be substituted, namely:—

“(4) In assessing the dealer under any of the clauses (b), (c) and (d) of sub-section (2), or sub-section (3), if the Commissioner has reasons to believe that the dealer has failed, without sufficient cause, to comply with the requirements of sub-section (2) or sub-section (3) or sub-section (4) of section 15 the Commissioner shall, after giving such dealer a reasonable opportunity of being heard, direct him, either at the time of assessment or thereafter, to pay by way of penalty in addition to the amount of tax assessed a sum not exceeding one-and-a-half times the amount of tax so assessed, in addition to the interest payable under sub-section (1) of section 15A”;

(ii) after sub-section (4), the following shall be inserted, namely:—

“(4A) If any tax, other than the tax on which interest is leviable under sub-section (1) of section 15A, has remained unpaid on the date prescribed for filing the last return in respect of any period of assessment, then the dealer or the person shall be liable to pay by way of simple interest, a sum equal to two percent on such tax for each month or part thereof on the expiry of 30 days from the date immediately following the date on which the period for which the dealer or person has been assessed expires, till the date of order of assessment and where any payment of such unpaid tax, whether in full or part, is made on or before the date of order of assessment, the amount of such interest shall be calculated by taking into consideration the amount of and the date of such payment. If, as a result of any order passed under this Act, the amount of tax which had so remained unpaid is enhanced or reduced, as the case may be, the interest shall be enhanced or reduced accordingly.”

8. *Amendment of section 36.*— In section 36 of the principal Act, in sub-section (2), after clause (b), the following shall be inserted, namely:—

“(bb) the procedure for and the other matters incidental to compounding of tax assessable including the interval at which and the manner in which the lumpsum amount and the interest thereon shall be payable;”.

9. *Amendment of Sixth Schedule.*— For the Sixth Schedule appended to the principal Act, the following shall be substituted, namely:—

#### THE SIXTH SCHEDULE

(See clause (v) of sub-section (1) of section 7)

I. Sales of cooked food and non-alcoholic drinks served or sold or supplied for consumption at or outside any eating house, restaurant, hotel, refreshment room or boarding establishment which is not a shop or establishment conducted primarily for sale of sweetmeats, confectionery, cakes, biscuits or pastries shall be taxed at the following rates:—

Sr. No.	Conditions subjects to which rate in column (3) is applicable	Rate of Tax
1.	2.	3.
(1)	Where the average price per item/dish does not exceed Rs. 15/- and/or the maximum price for any individual item/dish does not exceed Rs. 25/-.	4%
(2)	Where the average price per item/dish exceeds Rs. 15/- but does not exceed Rs. 60/- and/or the maximum price for any individual item/dish exceeds Rs. 25/- but does not exceed Rs. 100/-.	8%

1.	2.	3.
(3)	Where the average price per item/dish exceeds Rs. 60/- but does not exceed Rs. 120/- and/or the maximum price for any individual item/dish exceeds Rs. 100/- but does not exceed Rs. 200/-.	12%
(4)	Where the average price per item/dish exceeds Rs. 120/- and/or the maximum price for any individual item/dish exceeds Rs. 200/-.	15%

II. (a) Every registered dealer effecting sales of cooked food and non-alcoholic drinks shall make a declaration before the appropriate assessing authority, within 30 days from the commencement of the year, specifying the items/dishes normally sold or served or supplied by him along with their respective prices prevailing on the last day of the previous year. If no such declaration is made within the time stipulated, the rate of tax applicable for the entire year shall be the rate applicable to the next higher slab provided for in this Schedule.

(b) If there is any change in the rates of items on the menu card, subsequent to 31st day of March, in any year, revised menu card with changes incorporated therein shall have to be filed within 30 days from the date of effectivity of the changes.

(c) If, as per prevailing practice, seasonal menu cards are operated, then, for the purpose of calculating the average rate, the menu card with maximum highest rate items will be considered.

Notes:

(1) The average price per item/dish shall be calculated by dividing the sum total of the prices prevailing on the last day of the previous year in respect of highest priced 15 items/dishes. In case the total number of items/dishes on the menu card are less than 15, then the division shall be made by actual number of items/dishes covered by the menu card.

(2) In calculating taxable turnover, sales of cooked food and non-alcoholic drinks purchased locally on payment of tax shall be excluded.

10. *Insertion of new Schedule.*— After the Twenty eighth Schedule appended to the principal Act, the following Schedule shall be inserted, namely:—

#### “THE TWENTY NINTH SCHEDULE

( See clause (xxviii) of sub-section (1) of section 7 )

(1) Gutkha”.

Secretariat Annexe,  
Panaji,  
Dated: 31-3-1998

B. S. SUBBANNA  
Secretary to the Government of Goa,  
Law Department (Legal Affairs)